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Mexico

Post: Mexico

2010 Sugar Reference Price

Report Categories:

Sugar

Policy and Program Announcements

National Plan

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Report Highlights:

The National Committee for the Sustainable Development of Sugarcane (CNDSCA), through the Secretariat of Economy (SE), published in the *Diario Oficial* (Federal Register), the sugarcane reference price for MY 2010/11. The reference price is the price used to calculate sugarcane payments for the marketing year (MY) 2010/11 crop and for final payment adjustments to producers for sugarcane produced during MY 2009/10. The reference price is 10,222.26 pesos per metric ton (MT) (U.S. \$819.74/MT) and, by law, approximately 57 percent of the price is paid to sugarcane growers.

General Information:

Introduction: This report summarizes a SE announcement, published in Mexico's *Diario Oficial* on October 29, 2010, for the MY 2010/11 sugarcane reference price.

Disclaimer: This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Announcement of the Reference Price of Sugar - Standard Value - for MY 2010/11 as Proposed by the National Committee for the Sustainable Development of Sugarcane

Executive Summary: SE published an announcement in the *Diario Oficial*, on October 29, 2010, stating the reference price for sugarcane payment calculations for the MY 2010/11 crop. The reference price is 10,222.26 pesos per MT (U.S. \$819.74/MT at the exchange rate of 12.47 pesos per dollar). This is 55 percent greater than the previous marketing year reference price of 6,579.21 pesos per MT (U.S. \$495.42/MT).

According to CNDSCA, this reference price will be the definitive sugar reference price for payment adjustments to MY 2009/10 sugarcane, as well. The use of the reference price for MY 2010/11 crop will be modified later in the year to pay for the liquidation of sugarcane as well as for final payment adjustments.

According to Article 58 of the Law of Sustainable Development for Sugarcane, approximately 57 percent of the reference price for standard sugar is paid to growers for their sugarcane.

For More Information:

FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

FAS/Mexico YouTube Channel: Catch the latest videos of FAS Mexico at work
<http://www.youtube.com/user/ATOMexicoCity>

Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
MX0071	Formal Announcement of Sugar TRQ	10/13/10
MX0069	Sugar TRQ for 100,000 MT	10/1/10
MX0068	Sugar Semi-Annual	10/1/10
MX0040	Sugar TRQ Update	6/18/10
MX0023	Sugar Annual	4/15/10

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.